PARTS OF THE ORIGINAL DOCUMENT

ARE OF POOR REPRODUCTIVE QUALITY

CERTAINES PARTIES DU DOCUMENT ORIGINAL

SONT DE PIÈTRE QUALITÉ DE REPRODUCTION

THE CORPORATION OF THE CITY OF LONDON

ANNUAL REPORT 108

Table of Contents

London City Council 2

Greetings from the Mayor 3

Senior Management Team 4

Message from the City Administrator 5

Profile: City of London 6

1987 Statistical Highlights 7

Operational Review

City Administrator's Department 8

City Clerk's Department 12

Legal Department 13

Department of Social Services 14
- Social Program Expenditures 15
- Trends in Social Spending
- G.W.A. Caseload History

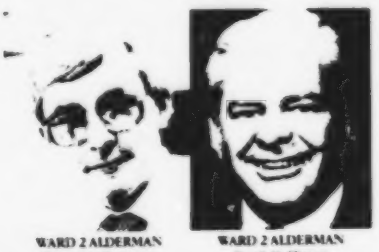
Planning & Development Department 16
- Building Activity
- Building Permit Issuance
- Comparative Housing Cost Statistics

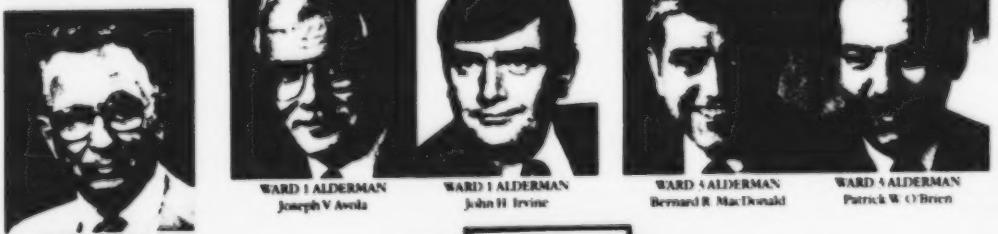
City Engineer's Department 19
- Engineering Activities

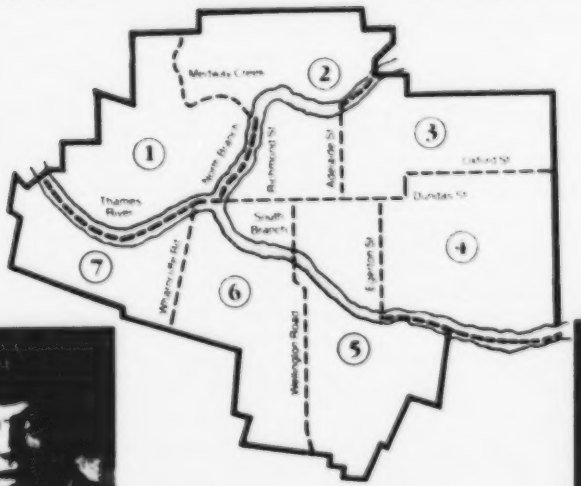
Finance Department 23

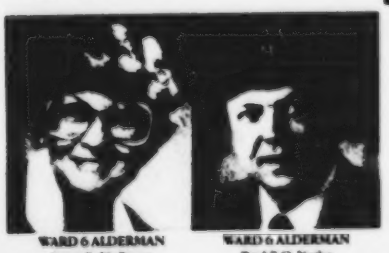
Financial Highlights & Information 24
- Five Year Financial Review Assessment
- Comparative Growth Rates
- Mill Rates
- Comparative Residential Tax and Service Charge Burden
- Property Taxes
- Consolidated Sources of Revenue
- Consolidated Applications of Revenue
- 1987 Debenture Issue
- Tax-Supported Debt per Household
- Trends in Reserves & Reserve Funds
- Staffing Resources
- Consolidated Statement of Operations
- Consolidated Balance Sheet
- Trust Funds
- Consolidated Schedule of Reserves & Reserve Funds

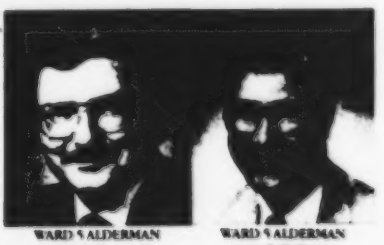
London City Council 1985-1988











Greetings from the Mayor

On behalf of City Council, I am pleased to present the 1987 Annual Report for The Corporation of the City of London. This Annual Report, prepared in conjunction with the Financial Statements, is a record of London's achievements in 1987.

London is in the midst of one of the most dramatic and dynamic periods in the City's history. Major developments are transforming the urban skyline. Exciting residential, commercial, industrial and institutional developments stretch towards the City's limits.

The challenges and opportunities of future growth and development in the City of London, resulted in Council taking thoughtful and decisive action on issues ranging from downtown revitalization to boundary adjustments. As economic development accelerated throughout 1987, City officials dealt with an increased volume of requests for civic services and approvals.

The City of London's ability to accommodate a very high level of activity is a reflection of our commitment to responsive and responsible local government. By working closely with both public and corporate citizens, the City of London is able to offer efficient management through its many resources.

Londoners have every reason to look forward to a bright future with confidence and excitement.

Sincerely,

Tom Gosnell
Mayor

Senior Management Team

D.B. Dutton
City Engineer

H.G. Howlett
Director of Social Administration

R.A. Blackwell
City Solicitor

M.C. Engels
City Administrator

S.F. Readings
City Treasurer

K.W. Sadler
City Clerk

K.L. Perry
Director of Planning
& Development

Message from the City Administrator

The Corporation of the City of London enjoyed a prosperous and productive year during 1987.

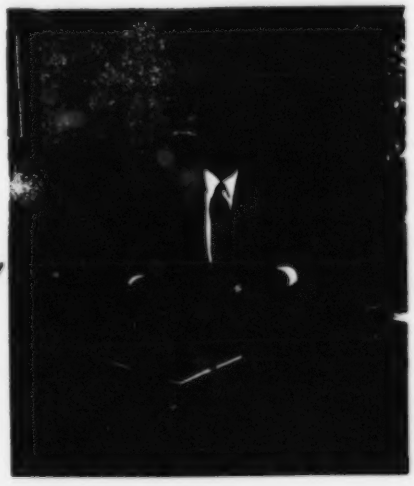
Despite predictions that the growth rate of the local economy would decline in 1987, records were set in both the number of building permits issued by the City and the total value of construction. Although the residential sector continued to lead the local economy, the most significant gains during the past year were made in commercial investment, which was up 70 percent.

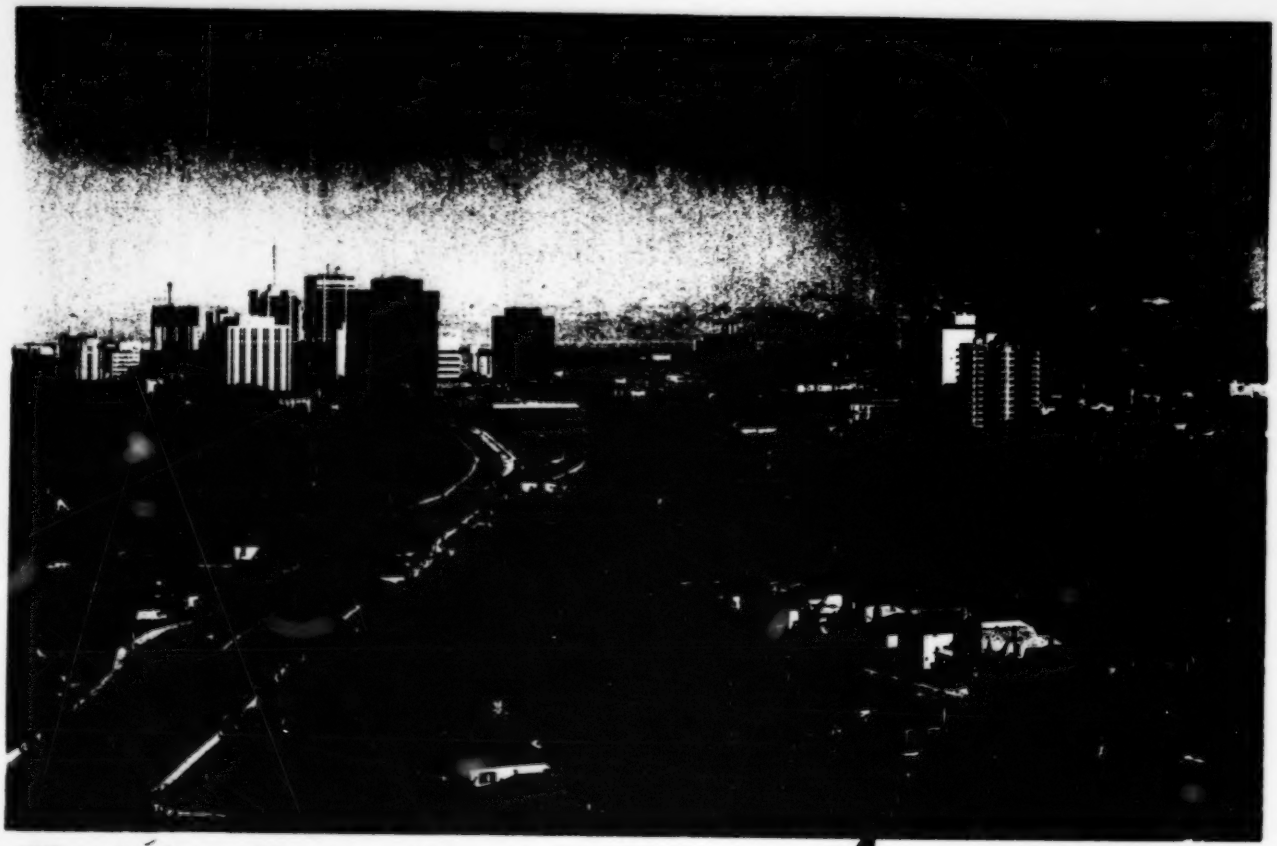
London's strong economic position had a favourable effect on the City's finances. Unanticipated municipal revenues and underexpenditures by various civic operations combined to create a budgetary surplus of over four million dollars for 1987. The active local economy also had a direct impact on the civic administration. In order to satisfy the increased demand for civic services, the City of London introduced improved methods of service delivery, enhanced staff productivity and expanded the use of computer-assisted technologies.

Through the careful management of its resources, The Corporation of the City of London was able to meet the administrative challenges of 1987. By employing long-term planning devices, the civic administration is able to anticipate the future needs of the City and its residents.

As City Administrator, I am proud of our collective accomplishments in 1987. A special note of thanks goes out to the Senior Management Team and every member of their staff. Congratulations on a job well done!

M.C. Engels
City Administrator





The Urban Heart of Southwestern Ontario

The City of London serves as an administrative, commercial, industrial, institutional and cultural centre for a metropolitan population in excess of 300,000.

Easy access to major markets in both Canada and the United States makes London, Ontario an ideal location both for business and industry.

Home to technologically advanced manufacturers, a pre-eminent science and research community and century-old institutions, the City of London enjoys the benefits of a diversified economic base. A proactive growth strategy ensures that employers and investors will continue to be attracted to the area.

1987 Statistical Highlights

LONDON ONTARIO CANADA
Physical Setting

Location	42° 9'N Latitude 81° 15'W Longitude
Elevation	278 metres
Area	176.74 km²

Demographic Characteristics

Population	280,140
Number of Households	117,145
Labour Force	165,000

Unemployment Rates (annual average)

London	7.0%
Ontario	6.1%
Canada	8.9%

Economic Indicators

Number of Building Permits 5,014

Construction Value

Residential	$252 million
Commercial	99 million
Institutional	59 million
Industrial	19 million
Total	**$429 million**

Average Selling Price of Homes

London	$ 97,962
Ontario	135,874
Canada	111,518

Managing the City's Resources

The City Administrator's Department is responsible for the development, implementation and evaluation of public policy. City Administrator, M.C. Engels, oversees and co-ordinates the activities of six major civic departments and centralized corporate support services in the areas of:

- Management Information Services
- Personnel Services
- Economic Development
- Fire Services
- Internal Audit
- Emergency Planning

A Systematic Approach to Information Systems

The Corporation's central computing facilities are maintained by the Management Information Services Division. In addition, M.I.S. staff support over 425 items of user equipment at City Hall and 10 remote sites.

Unique to the City of London is a co-operative venture between the Municipality and the London Police Force. By sharing system assets, the Corporation is able to utilize computer resources in a most effective manner.

Civic operations continued to benefit from the automation of repetitive tasks. Over 1,000 time-saving forms designed and/or administered by M.I.S. are presently in use throughout the Corporation.

City staff encouraged to upgrade, improve skills

To assist City staff in individual career development and improve job-related skills, the Personnel Division established the position of Co-ordinator – Staff Training and Development in 1987. Employees attended a total of 203 training and development days under the newly consolidated program.

The Personnel Division also handles staff recruitment, salary and benefits administration, occupational health and safety measures and labour-relations matters for the Corporation. The City of London presently employs 1,940 employees. During the past year, the Division received 6,508 applications, conducted 780 interviews, negotiated 9 collective agreements and introduced a trial flexible work schedule.

The systematic implementation of computer-assisted technologies enables City staff to become more productive and efficient.

Strategic initiatives promote balanced, healthy economic environment

London's economic growth strategy is pursued by the Economic Development Office. City representatives work together with government and business representatives to protect and secure jobs for the London area through:

- non-monetary assistance to business, industry and local institutions including:
  - land and building site selection
  - sale of City-owned, serviced industrial land
  - statistical and market data
  - federal and provincial program consultation
  - product sourcing and market identification
- promotional programs to attract new businesses, investments, conventions and tourists
- sponsorship of local events and initiatives
- visitor's and convention services
- Centennial Hall management

Med Tech Conference successfully initiated in 1987

Held at the University of Western Ontario, the event attracted inventors, researchers, entrepreneurs, venture capitalists and funding agencies for the purpose of promoting the commercialization of innovative medical technologies.

A promotional campaign targetted at the medical community was also kicked off during 1987. The program is designed to entice health care product manufacturers to the Forest City. London can already boast of its world-class medical facilities, which include a leading medical school, three teaching hospitals and renowned research facilities.

Industrial land sales quadruple in 1987

At year end, the City of London had 37 acres of serviced and 306 acres of unserviced land available in its two industrial parks. These figures indicate an absorption of 48 acres during 1987, up 391% over 1986. The private sector also increased the amount of industrial land transferred to developers over the past year, up 60% to 84 acres in 1986.

Small Business Centre off to good start

Co-sponsored by the City of London, the Small Business Centre provides advice and support services to local entrepreneurs. After its first full year of operation, the Centre has already exceeded the projected number of tenants.

Group established to encourage film-making in London

The London Film Commission was formed in 1987 to promote the Forest City as an ideal setting for film production. The Commission is just one of many community/institutional/governmental organizations which receive the co-operation and participation of Economic Development staff.

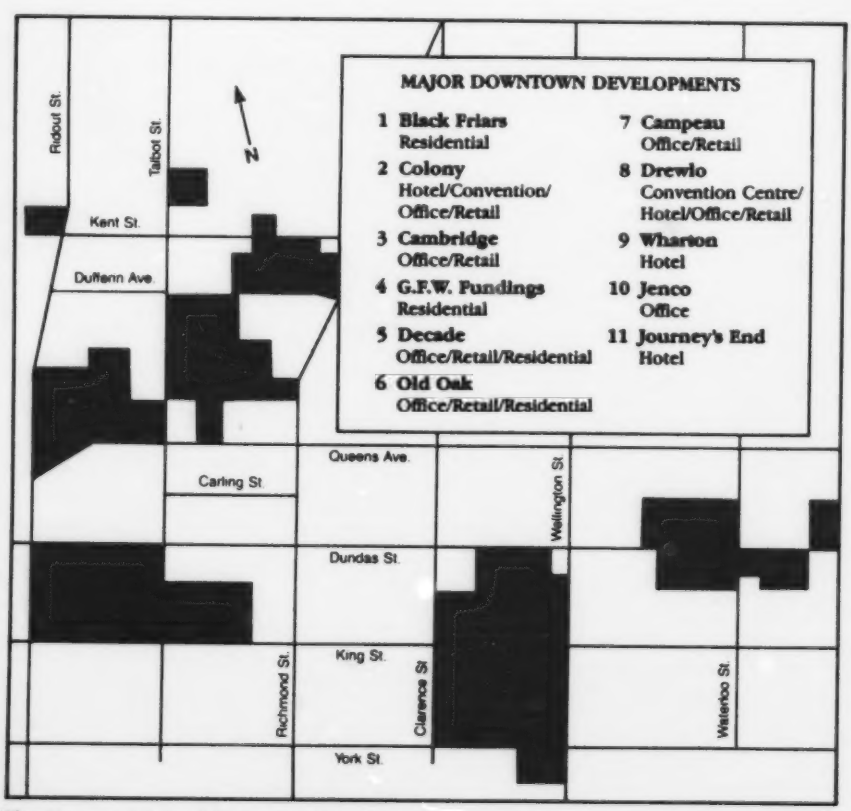
London's ten largest manufacturing industries

Convention Centre for London

Strategically located between the urban regions of eastern Canada and mid-western United States, London is an ideal setting for national and international conferences.

The Laventhol and Horwath Convention Centre Study, adopted by Council in 1987, demonstrated overwhelming support for a municipal convention facility. Three developers answered the City of London's call for intent and a proposed centre across from the newly opened Wharton Hotel was endorsed by civic officials.

The convention centre was only one of the exciting developments in the downtown during 1987. The skyline of London's vibrant City centre is witnessing a remarkable transformation, with six major projects underway throughout the business district and several others scheduled to begin in the near future. (See map)



Tourist industry valued at $225 million

A Tourism Impact Study, released by the Ontario Ministry of Tourism and Recreation in 1987, estimated that a total of $225 million is generated annually in the Forest City by the tourist industry.

Visitors' and Convention Services works to keep London on the map as a destination for travellers, tour groups and meeting delegates. Over 108,000 individuals attended conventions in the Forest City during the past year, up 16% from the previous year. Visitors' inquiries also rose to 47,000 at the City's three Tourist Information Booths.

Apart from promoting London at trade shows, City representatives conducted 33 familiarization tours involving 620 convention/meeting organizers and travel writers.

Mayor Gosnell and Campeau V.P. Paul Campbell at the ground breaking ceremonies for the "Galleria" development
Photo courtesy of the London Free Press

Phase III completed on Centennial Hall refurbishing project

Centennial Hall remains a popular site for social, cultural and musical events. Operated under contract by Don Jones Management Ltd., the City-owned auditorium complex hosted 278 shows and concerts during 1987 involving 215,000 people. An addition to the east end enlarged the backstage area and included dressing room facilities.

On duty night and day to protect and prevent against fire

A force of 323 mans London's ten fire stations and the City's fire prevention office. This team of professionals responded to 3,818 alarms during 1987, arriving on the scene in an average of 3.40 minutes. In addition, fire prevention officials inspected 9,809 buildings and approved 953 sets of plans.

Radio equipment replaced the hard wire telephone line system previously used at the stations. The installation of the new dispatching equipment netted a cost-savings of $4,000 in its first year of operation.

Increased Focus on Fire Prevention

London's booming building industry increased the need for building and plan inspections. To keep pace with the development-driven demand, the Fire Prevention Office hired two additional inspectors.

Grades 3 and 4 students in London's school systems were introduced to fire safety through a newly-created colouring book. This educational tool features "Bernie Burnie", London's fire safety mascot.

Health care professionals at the Victoria Hospital Burn Centre joined together with the Fire Services Division to present two public sessions on the prevention and treatment of fire injuries. The seminars highlighted activities sponsored by Fire Services during Fire Prevention Week in October.

The response time rating of London's firefighters continues to be excellent, dropping to an average of 3.40 minutes in 1987
Photo courtesy of the London Free Press

Serving Council and the Community

The City Clerk's Department is the initial point of contact for both the municipal politician and the general public. City Clerk, K.W. Sadler, oversees the department's statutory and corporate responsibilities which include:

- Secretariat and Documentation
- Corporate Support Services
- Assessment and Taxation
- Municipal Elections
- Licensing and Vital Statistics
- Property Management

A cost-effective and information-efficient system of records management

An increase in the workloads of all civic operations was reflected in the number of documents processed by the Clerk's department during 1987. Over 5 million pages of printed material were prepared. This figure represents a 22% increase in volume over the previous year.

London 1 of 4 participants in OASYS evaluation

The City of London was one of four municipal agencies involved in a sample study of the Ontario Assessment System (OASYS). Co-sponsored by the Ministry of Revenue and the Municipal Advisory Committee, the Assessment Review Officer and the Manager of Taxation had access to the provincial data system for approximately 6 months. An invaluable tool, the computer link was used on a daily basis to collect and cross-reference land-related information.

Unique system prevents/reduces crime

The City of London was the first municipality in Canada to hire a full-time Crime Prevention Co-ordinator to increase public awareness and improve crime prevention measures. By working closely with the London Police Force, the Co-ordinator has developed one of the best Neighbourhood Watch Programs in the country. A unique grid system networks 55,000 homes in 125 watch areas. Citizen volunteers acting as zone captains and co-captains inform police and neighbours of any suspicious circumstances in their area. The PC Cop computer then relays an increased crime activity bulletin to all residents registered in that zone.

With the help of watchful citizens, London's break and enters dropped 15% during 1987. The City's success is now serving as a model to other municipalities across the continent.

London's Neighbourhood Watch program promotes home security and community awareness.

Advising the Corporation on matters of Law

The Legal Department provides legal services to both the legislative and administrative branches of the Corporation. City Solicitor, R.A. Blackwell, and two full-time assistant solicitors offer specialized expertise in the areas of:

- Administration and Advisory Matters
- Advocacy and Labour Relations
- Property and Contract Matters

Recent legislation and judicial decisions have intensified the department's responsibilities, especially in the fields of labour relations, civil litigation, administrative tribunal work and extraordinary municipal by-law prosecutions. To enable legal personnel to process the increased volume of documents, additional automated equipment was acquired in 1987.

Citizens receive information and assistance from staff in the City Clerk's office.

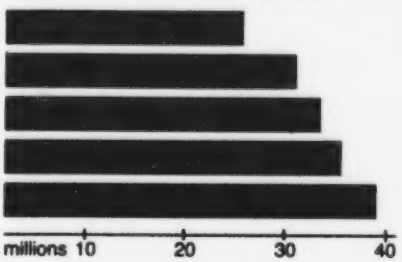
Responding to Community needs

The Department of Social Services, under the direction of H.G. Howlett, the Director of Social Administration, provides financial assistance and support services to citizens in need. Community programs are provided in the areas of:

- income maintenance
- special assistance/supplementary aid
- employment readiness counselling
- community support services
- community service grants
- Dearness Home for Senior Citizens

All programs are designed to maximize the independence and privacy of the individual while ensuring an adequate standard of living and home life.

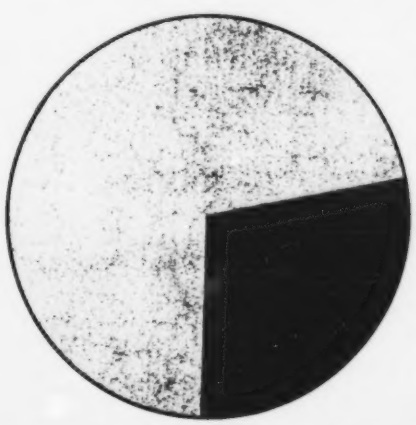
Trends in Social Spending 1983-1987

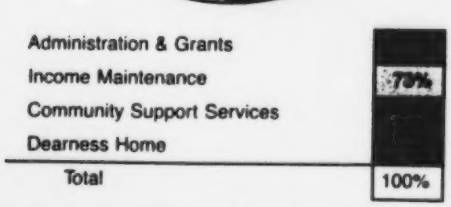


	1983	1984	1985	1986	1987
Admin. & Grants	$ 0.1m	$ 0.2m	$ 0.2m	$ 0.5m*	$ 0.5m*
Income Maint.	18.4m	21.6m	23.7m	25.7m	28.4m
Comm. Support	1.4m	1.4m	1.5m	1.8m	2.0m
Dear. Home	6.7m	7.1m	7.1m	7.7m	8.2m
Total	$26.6m	$30.3m	$32.5m	$35.7m	$39.1m

*includes grants

Social Program Expenditures 1987





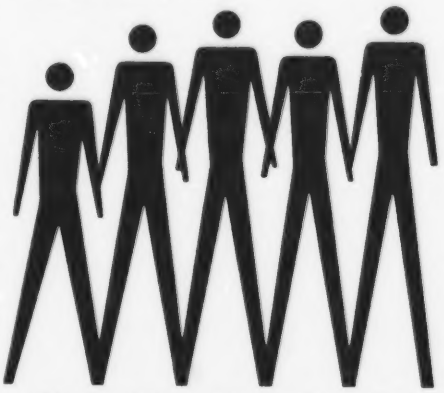
Day Care Program expands

In late 1987, 104 spaces were added to the City's subsidized day care program. A total of 600 children took part in the program during the past year.

Integrated Homemakers Program reduces need for municipal service

In May 1987, the Ontario Ministry of Health introduced an integrated homemakers program for temporarily ill or disabled persons residing in the community. As a result, a similar service offered by the Social Services Division experienced a 28.5% decline.

G.W.A. Caseload History 1983-1987
Average Monthly Caseload



1983	1984	1985	1986	1987
4,011	4,493	4,610	4,555	4,660

G.W.A. Caseload levels off

For the fourth year in a row, the General Welfare Assistance program administered by Social Services showed signs of levelling off. The average caseload, which doubled in 1983, rose only slightly for 1987, to an average of 4660 cases per month.

From July 1, 1987 to January 1, 1988, the City of London conducted the Designated Head of Household Pilot Project. The new program is designed to extend benefits to the working poor and was renewed in 1988.

A community within a community

The Dearness Home for Senior Citizens provides various types of living accommodation to City residents over 60 years of age. Located in a park-like setting, the facility offers its residents all the comforts of home and the conveniences of the community including:

• residential and extended care programs • professional medical, nursing, physiotherapy and dental services • wide range of

recreational, activity and entertainment programs • on-site amenities such as bank, beauty salon, library, chapel, tea room, pub and whirlpool • housekeeping services • laundry and dry-cleaning services • attractive, nutritious meals

New Day Program for Seniors in the Community

A Day Program began in September, 1987 for mobile citizens, 60 years of age or older, living within the London community. The Dearness Home's temporary care service was also modified to include short stays of 4-5 days. Under this program, seniors suffering from a disabling condition or recuperating from a hospital visit may be placed in the Home for up to 30 days.

Education Committee established

An Education Committee, made up of representatives from all levels of staff and volunteers, was established in 1987. The Committee is designed to encourage the exchange of ideas and the voicing of common concerns.

Renovation begins in St. Katharines Wing

A two-year renovation project was begun in 1987 in the St. Katharines Wing of the building. Other physical improvements included the addition of a wheelchair ramp at the main entrance to the Home and major refurbishing to the second floor of the Home.

For over 30 years, the Dearness Home has provided a continuum of care for senior citizens in the London area. By upgrading its facilities and re-evaluating its role, the Home is able to meet the changing needs of its residents and the community.

Fun and learning go hand in hand at day care facilities in and around the City

Seniors enjoy themselves at one of the Dearness Home's many recreational activities

Orderly Growth and Development

The Planning and Development Department administers programs to enhance, preserve and improve the quality of London's urban environment. The Director of Planning and Development, K.L. Perry, co-ordinates the department's three areas of responsibility:

- Urban Planning
- Building Control
- Housing Policy

Development Applications increase 30%

A total of 273 development applications were received by Planning staff during 1987. The most significant increase was experienced in the number of requests for Official Plan Amendments, up 89%. Sixteen new plans of subdivision were also received and a total of 28 were registered representing 2,445 single detached lots. In all, 179 applications for zoning by-law amendments, official plan amendments, plans of subdivision, or combination thereof, were processed throughout the year.

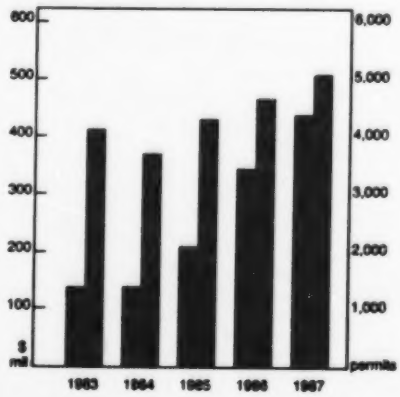
Community input sought on new Official Plan for London

The City of London is currently revising its Official Plan. During the first six months of 1987, the Special Project Planning Committee reviewed 16 issue papers and adopted approximately 160 recommendations on policy directions. A workshop was then held in September to encourage input from a cross-section of the London community. The highly successful event was attended by representatives of the building and development industry, community agencies, provincial ministries, neighbourhood associations and the legal profession. Concerns raised at the seminar were incorporated into the first draft prepared for City Council consideration in 1988.

Work also continued to update and maintain the City's existing official plan. A consolidated version was compiled by the Planning office during 1987.

City Planners examine the official plan map

Building Activity 1983-1987



	1983	1984	1985	1986	1987
■ Value ($ millions)	132	132	200	329	429
■ Number of permits	4,030	3,555	4,214	4,549	5,014

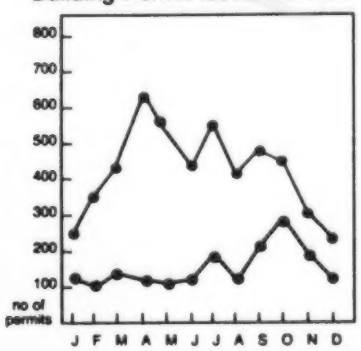
Building Boom breaks records

For the third consecutive year, the London economy continued to grow at an unprecedented pace. Over 5,000 building permits were issued by building officials representing a total construction value of $429 million. The residential sector once again led the economy with almost a quarter of a million invested in single family dwellings alone. The largest gains, however, were made in the commercial sector, up 70% over the 1986 figures. Major downtown developments such as the Campeau Corporation's "Galleria" project were in part responsible for the significant increase. Small scale commercial developments also remained popular

with 15 new plazas appearing on street corners and along major arterial roads around town.

London's position as a regional shopping centre was reinforced by Sifton Properties' $70 million expansion of Westmount Mall to be completed in 1989.

Building Permit Issuance 1987



	No. of Permits	No. Within 1 Week
January	258	116
February	344	107
March	423	131
April	636	121
May	526	110
June	437	127
July	521	167
August	395	122
September	468	187
October	446	245
November	297	163
December	263	103

People – computers meet development driven demand

Planning officials processed an increased volume of permits and applications during 1987. There was also a distinct rise in the number of inspections and approvals required. To keep pace with the development-driven demand, additional staff were hired and repetitive tasks were automated.

Tens of thousands of letters are received each year from lawyers requesting land-related information. A new computer system introduced in September 1987 combined three separate responses into one convenient format. The automated program made a noteable difference in the amount of clerical work.

Acceptable service levels were maintained through the employment of temporary staff. Additional building inspectors helped lower the average workload per inspector to 289 from 349. Despite the marked increase in service demands, the Building Division was able to issue 67% of permits within 2 weeks.

London landlords take advantage of new loan program

Established by the Ontario Ministry of Housing in June, 1986, the Low-Rise Rehabilitation Loan Program offers funding to landlords who wish to upgrade their properties. Over half of the estimated $2.1 million earmarked under the various federal and provincial programs during 1987 went towards the improvement of low-rise apartment buildings. Twenty-seven loans were also approved for the conversion of London homes for the physically handicapped.

Historically-significant structures restored under Ontario Heritage Act

London's rich heritage is being preserved in the nineteenth century mansions which line the streets of the City's historic core. To help owners restore their properties, four sites were designated under the Ontario Heritage Act during 1987.

Downtown businesses are encouraged to refurbish their store fronts under the Facade Improvement Loan program. Seven properties received funding during the past year.

London's oldest residence
Eldon House now serves as an historical museum.

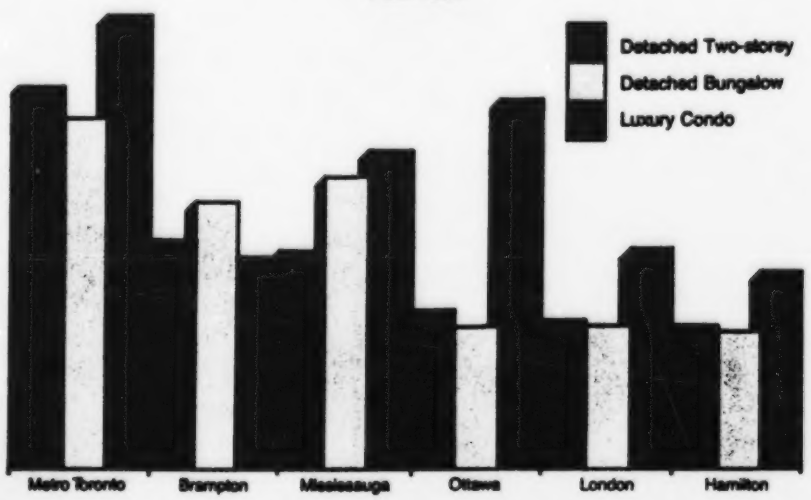
Housing Registry developed for London and Middlesex

Housing resources in the City of London and the surrounding Middlesex County are now listed in a directory compiled by the Housing Division. The pamphlet provides information on the various types of assisted housing available in the area and identifies services and sources of funding available to individuals seeking housing or wanting to upgrade their home.

Home-Sharing Program established

Approximately 250 households were registered in 1987 under the new home-sharing program. Managed by the London Urban Resource Centre, the service matches those offering living accommodation with those seeking shared arrangements.

Comparative Housing Cost Statistics: Fall 1987



	Detached 2-Storey	Detached Bungalow	Luxury Condo
Metro Toronto	$205,857	$192,733	$235,917
Brampton	148,000	160,000	140,000
Mississauga	141,000	170,000	180,000
Ottawa	120,750	115,350	200,000
London	118,000	115,000	144,000
Hamilton	116,600	113,625	135,500

Source: Royal LePage Survey Fall 1987

A safe and efficient system of streets, sidewalks and sewers

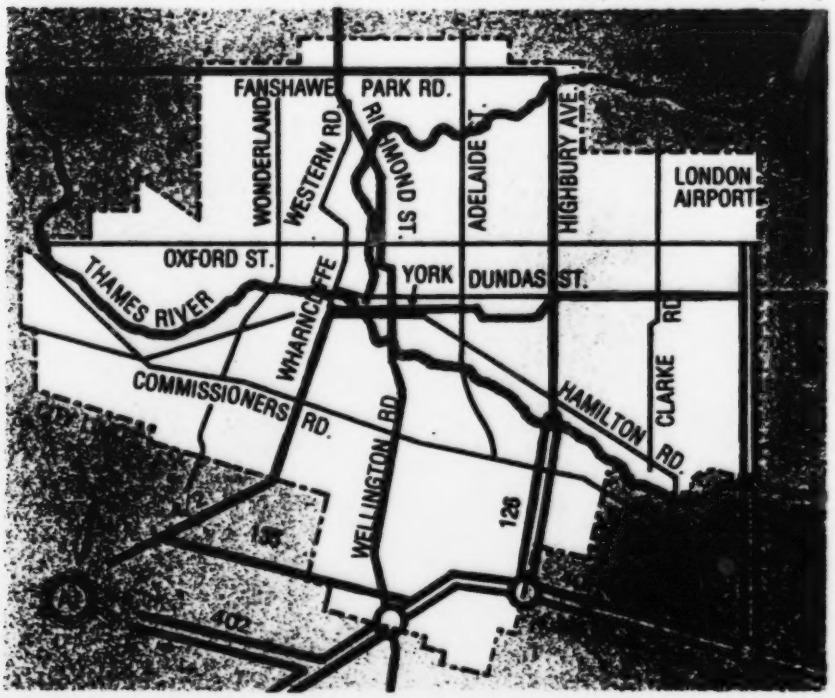
The City Engineer's Department plans, organizes and oversees the City's transportation network and environmental control systems. Engineering activities co-ordinated by City Engineer, D.B. Dutton, include the design, construction and maintenance of:

- streets and bridges
- sidewalks, curbs and gutters
- streetlighting
- traffic control systems and devices
- storm and sanitary sewers
- solid waste control
- environmental and pollution control facilities

The department also provides technical input for the approval of development projects, maintains all municipal facilities and administers London's animal control contract.

Located at the Forks of the Thames River, London has an extensive network of riverbank parkland and walkways.

London is at the hub of Southwestern Ontario's transportation network. Freeways radiate in all directions while an integrated internal road network ensures easy movement in and out of the City.



Crews Complete CPR Overpass

London is at the hub of Southwestern Ontario's railway network. The 9 railway overpasses located within the City include the Wonderland Road/CPR grade separation constructed during 1987. The $6 million project also widened the section of Wonderland Road North between Proudfoot Lane and Sarnia Road to four lanes.

In the south end of the City, work crews finished the extension of Bradley Avenue from Millbank Drive to Pond Mills Road.

ENGINEERING ACTIVITIES 1987

Design & Construction

Value of Road Construction	$7.5 million
% completed in-house	19%
Value of Sewer Construction	$4.7 million
% completed in-house	15%

Maintenance

Value of Mtce. Contracts	$5.4 million
% completed in-house	90%
Lane – Km of mtce.	2,257

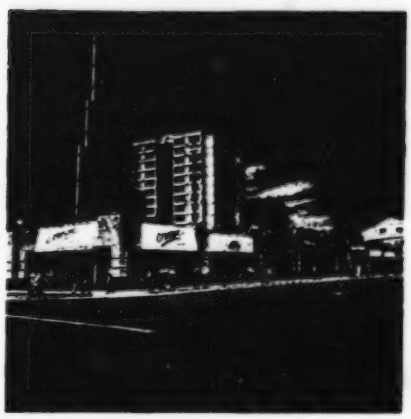
Subdivision & Development

Acres of Subdivision approved	660
No. of Site Plan Approvals	250
Non-subdivision Liaison Replies	275
Sewer and Watermain Approvals:	
Subdivisions	28
Private Projects	47

Assumed Services

Sidewalks	8.92 km
Sewers: sanitary	7.55 km
storm	8.93 km

The shoppes of Richmond Court opened in August, linking Downtown to the boutiques of Richmond Row.

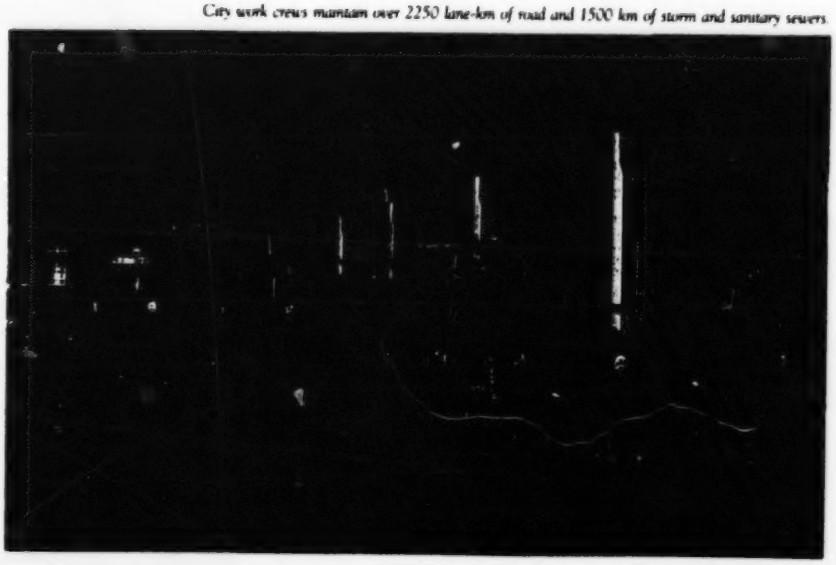


B.U.D. System simplifies locate services

In the Spring of 1987, the City of London and various utility companies operating within the City joined together to establish a "one-call" locate service known as B.U.D. (Before You Dig). Contractors and individuals may now learn within 2 hours whether their excavation site is clear of utilities and/or when a locate may be arranged. Since the program's inception, the Maintenance Planning Division has acted upon 1,000 requests for locates of civic works.

General enquiries for engineering information increased slightly in 1987 to 7,100. Another 1,254 requests were received concerning noxious weeds and 170 claims were processed.

City work crews maintain over 2250 lane-km of road and 1500 km of storm and sanitary sewers.



Computerized Traffic Control System becomes fully operational

The City of London's computerized traffic control system became fully operational in mid-1987. Approximately 120 of London's 193 traffic signals are now part of the automated program which can accommodate 250. London's state of the art system, unique in Canada, utilizes the cable TV network.

Engineering staff were able to improve information-gathering capabilities and productivity through the automation of various functions including:

• the computerization of line-marking vehicles • the automated recording of winter road maintenance • the computerized rating of curbs and gutters • the systematic production of noxious weed notices and lawyers' letters • the development of an experimental complaint log

Energy Conservation Program achieves results

Over 23,000 streetlights illuminated the night sky in the City of London during 1987, up 479 from the previous year. Despite the increase in the number of streetlighting units, the City was able to reduce associated energy consumption by 2,173 kw. This saving is a direct result of the City's Energy Conservation Program, which replaces traditional bulbs with high pressure sodium lighting units. This type of lighting was also installed in the six local improvement areas where work was completed in 1987.

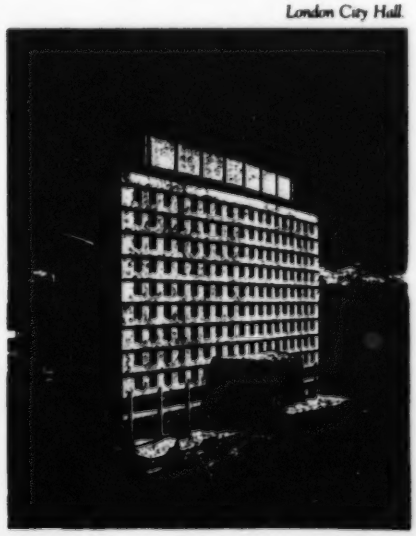
London's Computerized Traffic Control System coordinates the City's traffic signals

City Hall relocations follow P.U.C. move

The London P.U.C. moved to their new facilities from City Hall in August, 1987. Major renovations completed by the Facility Services Division followed relocations on various floors. Realigned operations may now utilize space allocations more efficiently.

Formal corporate policies and procedures for security at all municipal facilities were also developed during the past year.

London City Hall.



Energy from Waste Plant opens on Victoria Hospital campus

Approximately 7,000 tons of solid waste were delivered by the City of London to the Victoria Hospital Energy from Waste Plant during its testing period in late 1987. When the plant begins its full operation in 1988, it will burn 87,600 tons of residential garbage that would otherwise go to the landfill site.

At present, approximately 300,000 tons of waste is interred at the W12A landfill site. To meet future waste management needs, work continued on the expansion of this facility throughout 1987.

Victoria Hospital's Energy from Waste Plant

New program targets household hazardous wastes

For four Saturdays in September of 1987 Londoners were encouraged to bring old paint, poisons and other hazardous materials to the Greenway Pollution Control Centre for safe disposal. Positive public response to this initial drive, in part funded by the Ministry of the Environment, prompted the program's renewal and expansion in 1988.

Another service facilitates the spring cleaning activities of London residents. Although the 1987 special collection schedule was interrupted by the May work stoppage, City Council moved to hold a second collection in September and continue the program on a bi-annual basis beginning in 1988.

Inconveniences to the citizens of London were minimized during the three week work stoppage through the redistribution of staff resources.

Environmental controls protect people and the environment

A major expansion of the Greenway Pollution Control Centre continued throughout 1987. The pollution control centre and its facilities are being enlarged and upgraded to meet the future needs of the London community, while employing the most efficient and effective environmental control technologies available. Work completed during the past year included the construction of a blower building, the replacement of surface aerators with dome diffusers and the installation of a lamella heat exchanger in connection with the completion of a $7.5 million fluid bed sludge incinerator.

Engineering staff at the Greenway centre were familiarized with the new equipment at safety/ training seminars held in late 1987. Safety procedures were also highlighted in the training films produced by the City Engineer's Department to train work crews on sewer maintenance methods. The City of London has 511 miles of sanitary sewers, 25 pumping stations and 5 pollution control plants.

Technicians check controls in the Blower Building at the Greenway Pollution Control Centre

Sound Financial Management

The Finance Department administers the City of London's monetary resources. Corporate assets are safeguarded by City Treasurer, S.F. Readings, through wise money management and sound financial practices and policies regarding:

- Financial Planning and Reporting Systems
- Co-ordination of Current and Capital Budget Development and Monitoring
- Revenue Administration and Tax Collection
- Debt and Cash Management
- Treasury and Accounting Services
- Purchase and Supply
- Corporate Insurance
- Parking Enforcement

Buoyant local economy leads to current budget surplus

The record levels of development activity around the City resulted in increased supplementary taxation and service-related revenues for the Municipality during 1987. Under-expenditures by several civic operations also contributed to the $4 million surplus in the current budget.

London's AAA Credit Rating confirmed

Moody's Investors Service, one of North America's leading credit authorities, confirmed London's AAA credit rating. The agency's most recent comments include:
"Low debt burden, manageable capital requirements, satisfactory finances and a stable and diverse economy support prime credit quality rating."

The City of London has held the AAA rating since 1977, the highest rating a government borrower may receive.

Infrastructure Renewal Reserve Fund established

In 1987, City Council established a new reserve fund specifically for the revitalization of the Municipality's infrastructure. This proactive move by the City of London is designed to match funds available for the renewal of transportation and environmental systems from the senior levels of government.

Taxes Receivable position excellent

The City of London continued to have an excellent taxes receivable position during 1987. At year end, 2.5% of the total taxes levied remained outstanding. This figure varies slightly from the 1986 percentage of 2.3% in receivables.

Taxes receivable at December 31, 1987 does not include an offset for the balance in the allowance account of $178,953.

Tax Notices redesigned

In 1987, a complete design change was introduced for the Realty, Business and Past Due Tax Notices. The new notices of taxation combine the former interim and final tax bills and incorporate standards set by the Canadian Payments Association.

New Parking System implemented

Commencing September 1, 1987, the Provincial Offenses Act, Part II came into effect in Ontario. On that date, the City of London was one of the two municipalities in the province to convert to the new parking infraction notices system.

Five Year Financial Review

dollar figures are in 000s

	1987	1986	1985	1984	1983
Taxable Assessment					
Residential and Farm	$552,666	$532,084	$510,645	$503,832	$492,884
Commercial and Industrial	186,000	181,246	169,549	166,660	164,826
Business	82,172	80,111	75,339	74,459	74,297
Total	$820,838	$793,441	$755,533	$744,951	$732,007
Mill Rates					
Residential and Farm					
for General Municipal Purposes	107.96	104.64	100.72	96.72	92.06
for School Board Purposes	112.66	106.26	96.85	90.58	83.27
Total Residential and Farm	220.62	210.90	197.57	187.30	175.33
Total Commerical and Industrial	259.54	248.11	220.35	206.26	187.78
Tax Arrears					
Percentage of Current Levy	2.5%	2.3%	3.0%	4.6%	5.5%
Net Long Term Liabilities (U.S. $ converted at historical rates)					
General Municipal	$61,316	$55,964	$55,885	$50,628	$51,989
Municipal Enterprises	2,127	2,333	1,959	2,350	2,791
Total	$63,443	$58,297	$57,844	$52,978	$54,780
Charges for Net Long Term Liabilities					
General Municipal Activities	$13,866	$13,992	$12,234	$13,247	$12,264
Capital Financing During the Year					
Contribution from Own Funds	$ 6,645	$ 8,147	$ 6,615	$ 4,650	$ 5,765
Net Long Term Liabilities incurred	14,033	9,150	12,632	6,058	8,100
Ontario Grants	7,729	7,980	5,624	6,731	4,257
Other	2,663	1,301	1,793	1,513	772
Total	$31,070	$26,578	$26,664	$18,952	$18,894
Capital Expenditures During the Year	$32,028	$26,701	$23,733	$20,613	$17,682
Accumulated Net Revenue at Year End	$ 4,226	$ 3,048	$ 3,418	$ 1,809	$ 504
Reserves and Reserve Funds	$44,065	$31,505	$25,650	$24,315	$20,183

Note to the Reader

Using guidelines established by the Ministry of Municipal Affairs, The Corporation of the City of London consolidates the operations of the following entities into its Financial Reports:

1 The Board of Commissioners of Police of the City of London
2 London Transit Commission
3 London Public Library Board
4 East London Improvement Area (also known as Centretown B.I.A.)

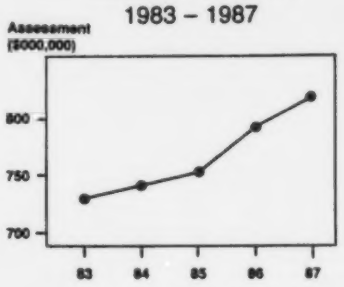
As with all Financial Reports, Notes to the Statements form an integral part of a complete understanding of the corporate position. A complete Financial Report is available upon request.

Financial Highlights

Assessment

In 1987, the City enjoyed a 3.7% growth in taxable assessment. This figure reflects London's active development market and dynamic local economy.

Taxable Assessment
1983 – 1987

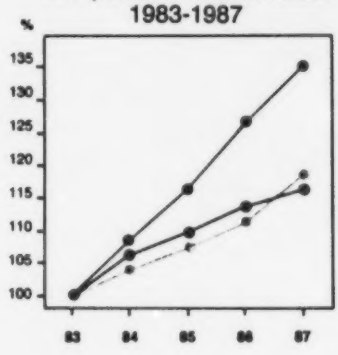


	1983	1984	1985	1986	1987
Total taxable assessment (in millions of dollars)	732	744	755	793	821

Mill Rates

In 1987, the general municipal portion of the residential mill rate increased by 3.2%. This increase demonstrates the efforts of Council and the civic administration to contain mill rate growth at a level below inflation as measured by the Consumer Price Index.

Comparative Growth Rates
1983-1987

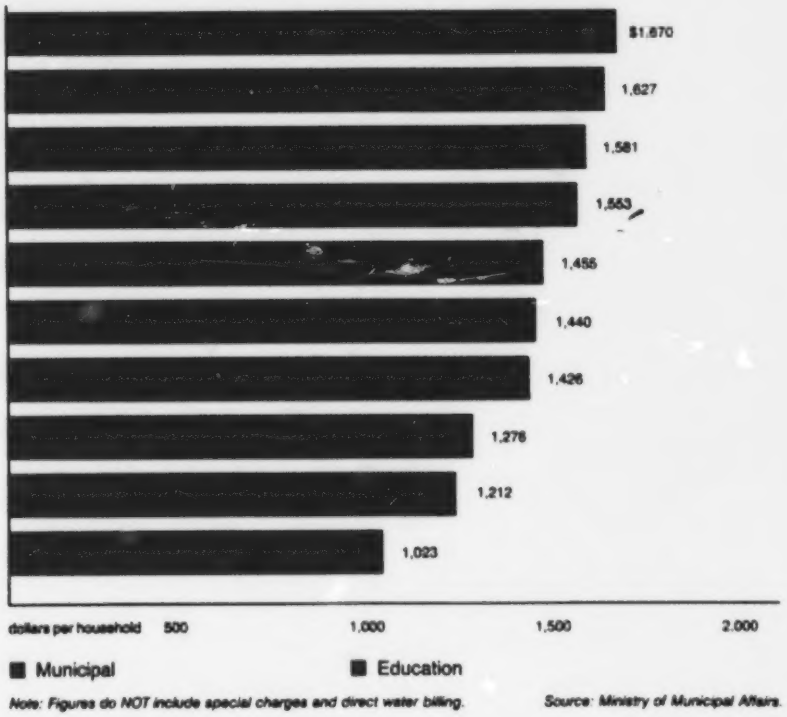


	1983	1984	1985	1986	1987
CPI	100%	104.4%	108.5%	113.0%	117.9%
Residential mill rates					
General municipal	100%	105.1%	109.4%	113.7%	117.3%
Education	100%	108.8%	116.3%	127.6%	135.3%

1987 Mill Rates

Residential and Farm	
General municipal	107.96
Education	112.66
	220.62
Commercial and Industrial	
General municipal	127.01
Education	132.53
	259.54

Comparative Residential Tax and Service Charge Burden per Household 1987



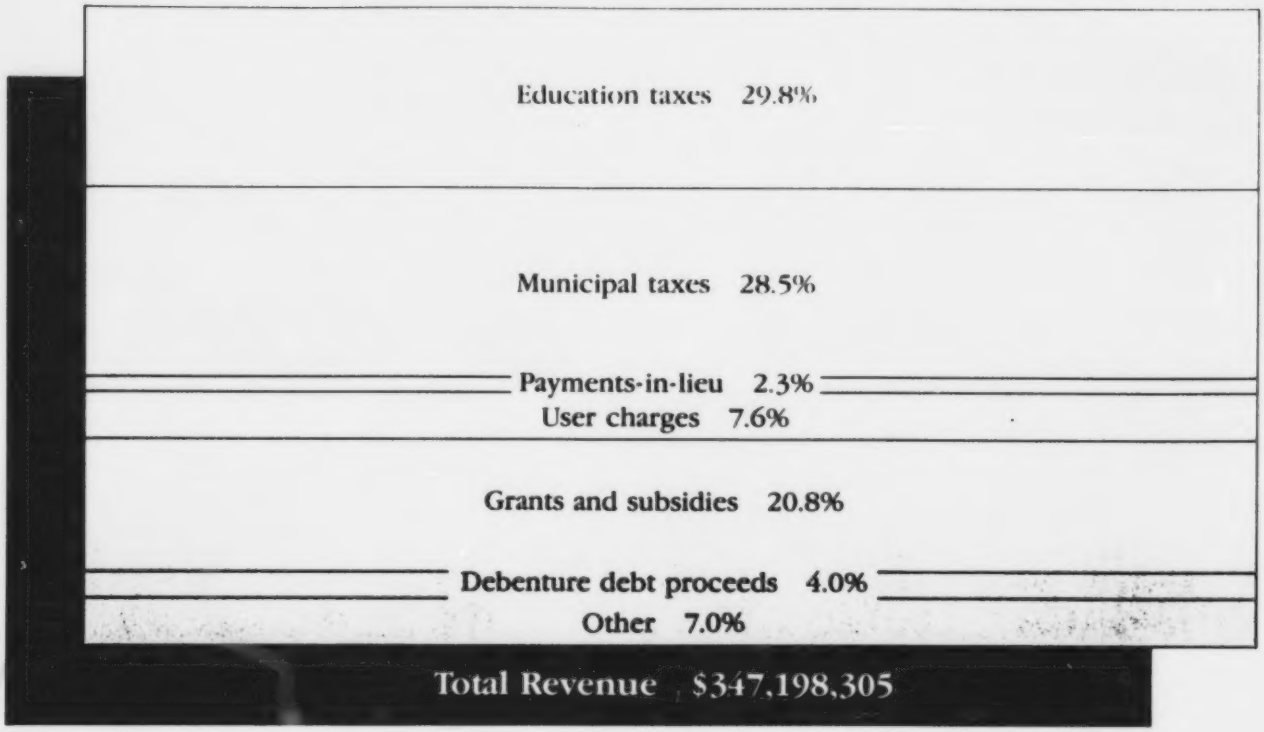
Note: Figures do NOT include special charges and direct water billing. *Source: Ministry of Municipal Affairs.*

Property Taxes 1983-1987

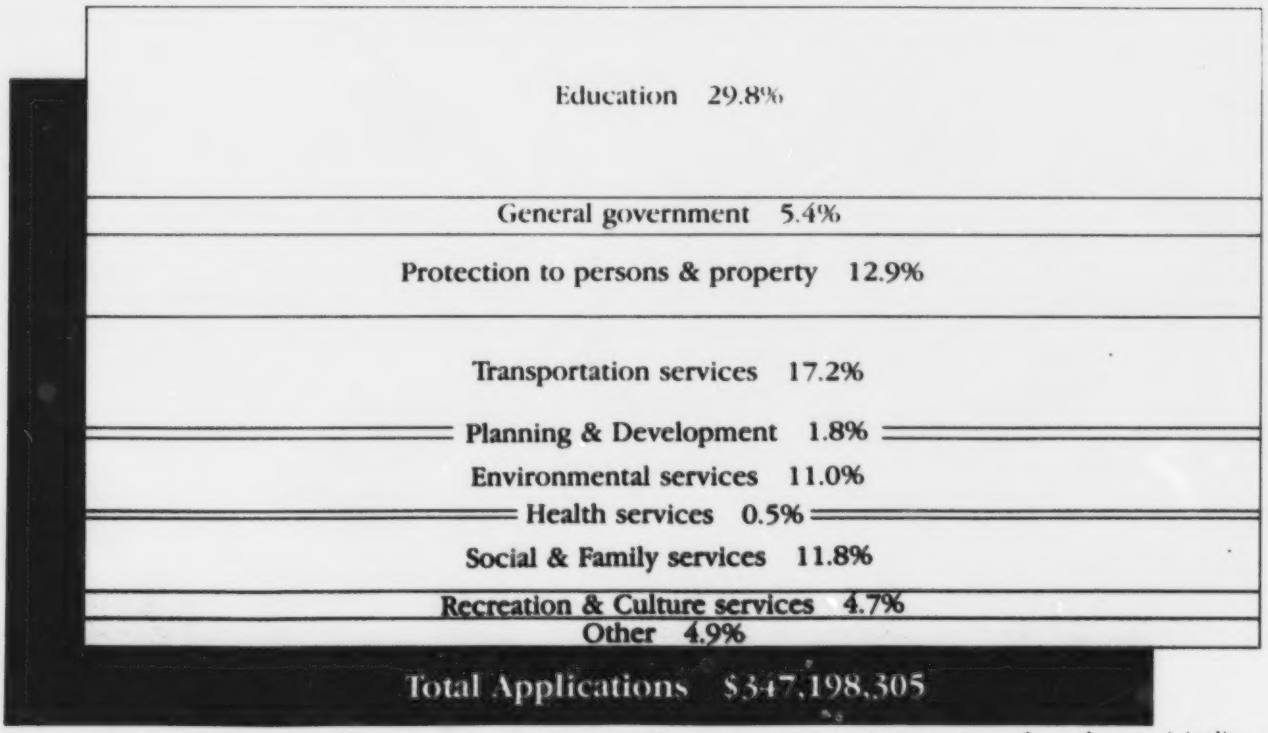
Based on an average residential assessment of $6,000

	1983	1984	1985	1986	1987
Municipal	$ 552.36	$ 580.32	$ 604.32	$ 627.84	$ 647.76
Education	499.62	543.48	581.10	637.56	675.96
Total	**$1,051.98**	**$1,123.80**	**$1,185.42**	**$1,265.40**	**$1,323.72**

Consolidated Sources of Revenue 1987



Consolidated Applications of Revenue 1987



The Corporation of the City of London levies taxes on behalf of the school boards. The 29.8% application towards education represents the transfer of education taxes from the municipality to the local boards.

1987 Debenture Issue

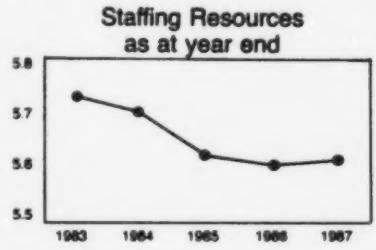
Two separate debenture issues were tendered during 1987 by the City of London. The May issue was tendered on behalf of the Covent Garden Market Parking Inc. for the financing of the St. Joseph's Hospital parking garage expansion. A second tender call took place in October to finance various municipal projects.

The following chart highlights the two issues and reflects the City of London's excellent credit standing and market conditions at the time of issuance.

	MAY	OCTOBER
Amount	$2.85 million	$13.5 million
Successful bid	$99.47/$100	$99.20/$100
Average cost of capital	9.984%	10.157%
Type	Serial Installment	Serial Installment
Term	15 years	9 years
Interest payable	8.75% – 10.25%	9% – 10.25%

Staffing Resources

The City of London workforce grew by 2.81% during 1987 to meet the development-driven demand for civic services. This slight increase is in contrast to the downward trend which is steadily decreasing the number of work years per 1,000 population.

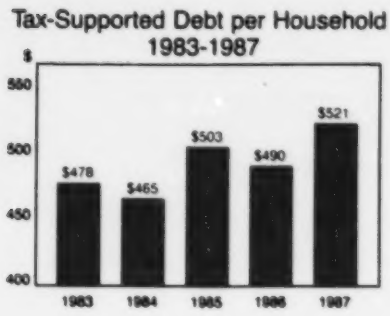


	1983	1984	1985	1986	1987
Work years per 1000 population	5.74	5.71	5.62	5.60	5.61

Analysis of Net Long-Term Liabilities

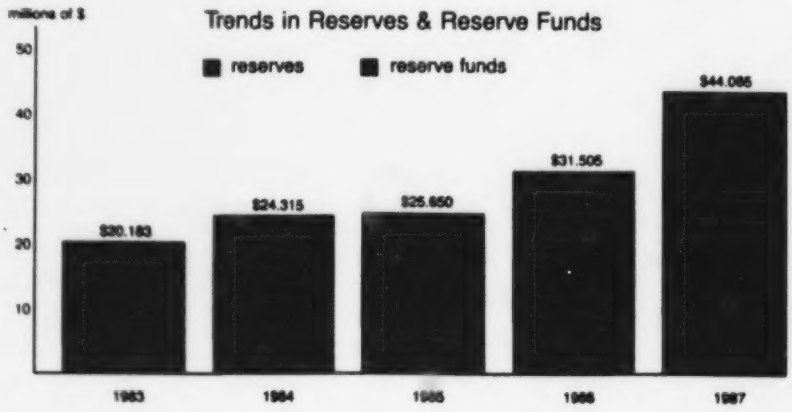
In recent years, the City of London committed itself to shorter repayment periods on debt issue. Future projections estimate that 66% of the net long-term debt of $61,063,000 as at December 31, 1987 will be repaid by December 31, 1992.

Trends in tax supported City debt per household over the past five years are illustrated below:



Reserves and Reserve Funds

As at December 31, 1987, the Municipality had combined reserves and reserve funds of $44,064,896. These balances, represent a net increase of $12,559,984 over the December 31, 1986 closing balances. The most significant element contributing to the net increase in this balance was growth in the Urban Growth Capital Works Reserve Fund due to the exceptional year experienced in London's development market.



Consolidated Statement of Operations
for the year ended December 31, 1987

SOURCES OF FINANCING	1987 $	1986 $
Taxation and user charges		
Residential and farm taxation	124,216,717	114,405,139
Commercial, industrial and business taxation	78,048,345	73,064,863
Taxation from other governments	7,997,901	7,159,591
User charges	26,320,623	24,410,123
Deduct: Amounts received or receivable for school boards	(103,365,713)	(94,512,764)
	133,217,873	124,526,952
Grants		
Government of Canada	1,728,348	192,733
Province of Ontario	70,420,692	65,995,261
Other municipalities	42,488	80,104
	72,181,528	66,268,098
Other		
Contributions from developers	10,416,256	8,022,428
Investment income	4,590,734	4,168,546
Sale of land and other assets	1,324,263	816,221
Fines, penalties and interest on taxes	2,103,274	1,974,217
Miscellaneous	1,564,868	1,181,644
	19,999,395	16,163,056
Proceeds from the issue of long term liabilities	14,033,334	9,150,000
MUNICIPAL FUND BALANCES AT THE BEGINNING OF THE YEAR		
To be used to offset (or to be recovered from) taxation or user charges	3,048,247	3,417,744
Unexpended capital financing (or capital operations not yet financed)	1,342,215	1,465,600
Total financing available during the year	243,832,592	220,991,450

APPLIED TO	1987 $	1986 $
Current Operations		
General government	17,982,971	17,738,340
Protection to persons and property	44,233,579	41,460,146
Transportation services	42,040,734	41,482,301
Environmental services	22,979,656	23,534,373
Health services	1,796,400	1,620,396
Social and family services	40,561,910	36,695,335
Recreation and cultural services	13,987,356	13,028,602
Planning and development	5,385,262	4,253,457
Total Current Operations	188,967,868	179,812,950
Capital Operations		
General government	849,384	1,198,050
Protection to persons and property	451,137	1,137,308
Transportation services	17,708,463	12,090,095
Environmental services	15,188,519	11,516,460
Health services	150,000	0
Social and family services	262,779	451,038
Recreation and cultural services	2,275,163	1,933,497
Planning and development	789,227	2,606,276
Total Capital Operations	37,674,672	30,932,724
Net appropriations to Reserves and Reserve Funds	12,559,984	5,855,314
MUNICIPAL FUND BALANCES AT THE END OF THE YEAR		
To be used to offset (or to be recovered from) taxation or user charges	4,225,996	3,048,247
Unexpended capital financing (or capital operations not yet financed)	404,072	1,342,215
Total applications during the year	243,832,592	220,991,450

Consolidated Balance Sheet
as at December 31, 1987

	1987 $	1986 $
ASSETS		
Unrestricted		
Cash	14,888,475	14,921,668
Taxes receivable	4,889,829	3,696,704
Accounts receivable	6,412,750	6,097,101
Other current assets	2,316,179	1,982,346
Long term receivables	253,425	184,712
Investment in own debentures	0	739
Total	28,760,658	26,883,270
Restricted		
Cash	29,193,588	18,929,736
Accounts receivable	138,970	272,500
Long term receivables	4,077,536	2,150,000
Investment in own debentures	1,188,856	1,562,222
Total	34,598,950	22,914,458
Capital outlay financed by long term liabilities and to be recovered in future years	63,443,298	58,296,854
Total Assets	126,802,906	108,094,582
LIABILITIES		
Temporary loans	0	0
Accounts payable and accrued liabilities	13,081,868	12,101,158
Other current liabilities	1,582,776	1,801,196
Total	14,664,644	13,902,354
Net long term liabilities	63,443,298	58,296,854
Contingent liabilities		
FUND BALANCES AT THE END OF THE YEAR		
To be used to offset (or to be recovered from) taxation or user charges	4,225,996	3,048,247
Unexpended capital financing (or capital operations not yet permanently financed)	404,072	1,342,215
Reserves	9,465,946	8,590,454
Reserve funds	34,598,950	22,914,458
Total Liabilities	126,802,906	108,094,582

Trust Funds

statement of continuity
for the year ended December 31, 1987

	1987 $	1986 $
Balance at the beginning of the year	4,149,329	4,195,082
Revenue		
Capital receipts	3,774,351	3,271,964
Interest earned	275,486	280,484
Total Revenue	4,049,837	3,552,448
Expenditures		
Transfer to reserve fund	0	46,380
Forgiveness earned	139,927	128,312
Maintenance payments – Dearness Home	3,258,894	3,233,392
Miscellaneous	590,658	190,117
Total Expenditures	3,989,479	3,598,201
Balance at the end of the year	4,209,687	4,149,329

Balance Sheet as at December 31, 1987

	1987 $	1986 $
Assets		
Cash and short term deposits	2,249,544	2,278,846
Accounts receivable	1,293,108	1,287,154
Investments	667,035	583,329
Total Assets	4,209,687	4,149,329
Liabilities and Equities		
Accounts payable	4,209,687	4,149,329
Fund equity		
Total Liabilities	4,209,687	4,149,329

Consolidated Schedule of Reserves & Reserve Funds

for the year ended December 31, 1987

	1987 $	1986 $
Balance at the beginning of the year	31,504,912	25,649,598
Revenues		
Contributions from revenue fund	10,038,632	7,272,949
Contributions from capital fund	50,000	77,500
Contributions from developers	10,416,256	8,022,428
Investment income	2,481,576	2,024,943
Sale of industrial land	150,900	268,677
Grants	303,927	0
Other	1,311,355	763,487
Total Revenues	24,752,646	18,429,984
Expenditures		
Transfers to capital fund	4,602,810	6,306,601
Transfers to revenue fund	218,107	277,111
Charges for long term liabilities	682,278	581,650
Payments to developers	5,666,964	4,231,424
Other	1,022,503	1,177,884
Total Expenditures	12,192,662	12,574,670
Balance at the end of the year	44,064,896	31,504,912
Reserves		
Working capital	4,856,766	4,256,766
Contingencies	3,010,054	2,465,176
Economic growth	456,717	572,129
Acquisition of fixed assets	309,089	231,998
Self insurance	0	331,500
Workers' compensation	330,801	313,318
Transit fare stabilization	202,519	269,567
Municipal elections	300,000	150,000
Total Reserves	9,465,946	8,590,454
Reserve Funds		
Acquisition of fixed assets		
Vehicles	6,877,905	6,741,456
Facilities	5,361,389	3,626,899
Recreational programs & facilities	497,804	263,768
Park purposes	2,392,428	1,821,647
Self insurance	1,810,146	760,519
Sick leave	1,033,762	1,008,082
Capital grants	1,084,692	496,529
Industrial oversizing	1,651,328	1,232,310
Urban growth capital works	12,130,174	6,612,752
Industrial land debt retirement	827,568	270,085
Downtown Facade Improvement Program	118,336	80,411
Reduction of 1988 Mill Rate	813,418	0
Total Reserve Funds	34,598,950	22,914,458
Total Reserves and Reserve Funds	44,064,896	31,504,912